

Message Text

CONFIDENTIAL

PAGE 01 STATE 202592
ORIGIN EB-08

INFO OCT-01 EUR-12 EA-10 IO-13 ISO-00 CAB-02 CIAE-00
COME-00 DODE-00 DOTE-00 INR-10 NSAE-00 FAA-00
L-03 PM-05 NSC-05 SP-02 SS-15 STR-07 TRSE-00
OMB-01 /094 R

DRAFTED BY EB/OT/STA:J S SPIRO:CMS

APPROVED BY EB/OT/STA:J S SPIRO

EB/AV - A WHITE

TREASURY - A SOLOMON

EA/ROC - W LUNDY

STR - R RIVERS (SUBS)

EUR - R VINE

EB/OT - S AHMAD

-----032366 102125Z /45

P R 102032Z AUG 78

FM SECSTATE WASHDC

TO AMEMBASSY PARIS PRIORITY

AMEMBASSY TAIPEI PRIORITY

INFO USMISSION GENEVA

AMEMBASSY BRUSSELS

C O N F I D E N T I A L STATE 202592

USMTN, USOECD

E.O. 11652:N/A

TAGS: ETRD

SUBJECT: SALE OF AIRBUS TO TAIWAN

REF: A) PARIS 23849, B) TAIPEI 4987

1. FOR PARIS--BECAUSE OF GREAT CONCERN IN WASHINGTON WITH
REPEATED REPORTS THAT AIRBUS INDUSTRIE, IN AGGRESSIVE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 202592

EFFORTS TO SELL THE A-300, IS OFFERING TO OBTAIN LANDING
RIGHTS IN FRANCE FOR CHINA AIRLINES, WE REQUEST THAT THE
EMBASSY DISCUSS THE SUBJECT AGAIN WITH THE GOF ALONG THE
FOLLOWING LINES: WE HAVE BEEN INFORMED THAT CHINA AIRLINES
(CI) SIGNED A LETTER OF INTENT WITH AIRBUS INDUSTRIE FOR
FOUR A-300'S WITH AN OPTION FOR FOUR MORE, AND THAT AIRBUS
INDUSTRIE AS PART OF THE DEAL, HAS OFFERED TO INTERCEDE

WITH THE GOF TO GRANT CI LANDING RIGHTS IN FRANCE (REF B).
WE WERE PLEASED WITH DESEDOUY'S STATEMENT IN REFTEL A THAT
IT IS A CLEAR FRENCH POLICY THAT AIRCRAFT SALES AND LANDING
RIGHTS ISSUES ARE NOT JOINED TOGETHER. WE FURTHER NOTED
HIS STATEMENT THAT ENTERING INTO ANY LANDING RIGHTS AGREE-
MENT WITH TAIPEI WOULD BE COMPLETELY AT VARIANCE WITH GOF
POLICY TOWARD THE „-“. IF FRENCH POLICY ON LANDING RIGHTS
HAS NOT BEEN COMMUNICATED TO GROC WE WOULD LIKE TO DO SO
PROMPTLY SO THAT MCDONNELL-DOUGLAS CAN CONTINUE TO PROMOTE

THE SALE OF TWO DC-10 AIRCRAFT TO CI AND TO BE CERTAIN
THAT THE GROC UNDERSTANDS THAT CHOICE OF AIRCRAFT SHOULD
BE BASED ENTIRELY ON THE AIRCRAFT'S TECHNICAL AND
COMMERCIAL MERITS.

2. EMBASSY MAY ALSO INFORM THE GOF THAT IF THE GROC
RECEIVES LANDING RIGHTS IN FRANCE IN CONJUNCTION WITH THE
PURCHASE OF THE A-300, THE USG WOULD CONSIDER SUCH
INDUCEMENT AS GOING WELL BEYOND THE CONFINES AT WHICH
COMPETITION TO SELL AIRCRAFT SHOULD BE CONDUCTED.

3. FOR TAIPEI--CAN EMBASSY TAIPEI PROVIDE CONCRETE
DETAILS OF NEGOTIATIONS, PARTICULARLY WHETHER: (1) LINKAGE
WAS SOUGHT BY GROC, OR; (2) OFFER WAS MADE BY AIRBUS
INDUSTRIE TO GROC PERHAPS WITH THE UNDERSTANDING THAT GOF
WOULD NOT APPROVE. YOU SHOULD ADVISE GROC THAT USG WILL
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 202592

MONITOR FUTURE DEVELOPMENTS TO ENSURE THAT NO DE FACTO
ARRANGEMENT EXISTED. IF LANDING RIGHTS WERE GRANTED TO CI
AFTER THEY HAD PURCHASED THE AIRBUS, IT WOULD IMPLY THAT
LINKAGE ARRANGEMENT DID IN FACT EXIST.

4. THIS CASE HAS AROUSED INTEREST AND CONSIDERABLE
CONCERN AT HIGH LEVELS IN THE USG AND IN BOTH HOUSES OF
CONGRESS. USG HAS STRONG INTEREST IN SEEING THAT AIRCRAFT
SALES ARE MADE ON BASIS OF MERIT AND PRICE OF AIRCRAFT
WITHOUT REGARD TO UNRELATED OFFICIAL INDUCEMENTS SUCH AS
LANDING RIGHTS. WE CONSIDER SUCH INDUCEMENTS TO BE
TOTALLY UNACCEPTABLE PRACTICES. EMBASSIES SHOULD STRESS
THIS POINT AT APPROPRIATE LEVELS OF HOST GOVERNMENTS.
POINT SHOULD ALSO BE MADE TO AIRLINE OFFICIALS WHENEVER
APPROPRIATE. ANY ADDITIONAL INFORMATION AVAILABLE ON THIS
CASE WOULD BE WELCOME. VANCE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SALES, COMMERCIAL AIRCRAFT
Control Number: n/a
Copy: SINGLE
Draft Date: 10 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE202592
Document Source: CORE
Document Unique ID: 00
Drafter: J S SPIRO:CMS
Enclosure: DG ALTERED
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780328-0179
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780877/aaaacmel.tel
Line Count: 110
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 20be5b65-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 PARIS 23849, 78 TAIPEI 4987
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 19 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1775850
Secure: OPEN
Status: NATIVE
Subject: SALE OF AIRBUS TO TAIWAN
TAGS: ETRD, EAIR, FR, US
To: PARIS TAIPEI
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/20be5b65-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014